GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4617
ANSWERED ON:25.04.2008
LOANS BY BANKS
Chavda Shri Harisinh Pratapsinh;Vasava Shri Mansukhbhai D.

Will the Minister of FINANCE be pleased to state:

(a) the details of increase in disbursement of personal loan, home loan and vehicle loan by Indian/Foreign Banks in the country during the last three years. State-wise;

(b) whether this increase in loans has any adverse impact on Indian economy;

(c) if so, the details thereof alongwitl) the reaction of he Government thereto;and

(d) the corrective steps taken by the (jiovemment in this regard?

Answer

(MINISTER OF STATE IN THE MINISTRY OF FINANCE) (SHRI PAWAN KUMAR BANSAL)

(a): State-wise details of outstanding personal loans including home loans & vehicle loans of all scheduled commercial banks furnished by the Reserve Bank of India, as on 31st March, 2005, 2006 & 2007 (latest available) is given in Annexure.

(b), (c) & (d): There was an increase of 23 per cent in personal loans outstanding as on 31st March , 2007 compared with 31st March, 2006. This was somewhat lower than the overall credit growth in the economy during 2006-07. The Government has been pursuing a policy to encourage growth while at the same time disallowing inflationary pressures to build up in the economy including in specific sectors financed by personal loans.